The Attractiveness of the Academic Profession: the Management Challenge
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If the CAP fits: management challenges for Finland’s universities from the changing academic profession
Timo Aarrevaara, University of Helsinki, Finland
Ian R Dobson, Educational Policy Institute and Monash University, Australia
Elias Pekkola, University of Tampere, Finland and
Seppo Holtta University of Tampere, Finland

Abstract
Finland’s binary higher education system of universities and polytechnics has much to learn from the CAP project, particularly as its university sector is about to undergo its most radical set of changes in decades. Perhaps the Finnish universities will meet the challenges the reform will bring, because 67 per cent of its academics expressed high or very high levels of job satisfaction. However, the responses from university academics were different from those at polytechnics. The fact of relatively low academic salaries means that the academic profession is less attractive to younger staff, particularly in the universities. However, it remains uncertain what the affect of the university reform will be. To this end, some comparisons have been drawn with Australia, a nation with a higher education system that went though a major set of reforms some years ago.

Introduction
Finland is a nation of 5.3 million people occupying a land mass equivalent to less than five per cent of that occupied by Australia (equivalent roughly to the states of Victoria and Tasmania combined). It is a high tech and culturally rich nation that it is home to Nokia, and world-famous sporting events that include the wife-carrying race (see Wikipedia), swamp soccer (see http://www.suopotkupallo.fi/) and the newly instituted excrement shovelling competition (see Helsinki Times, Thursday 11 June 2009).

Finland’s first university was established in 1640, long before Finland became a sovereign nation in 1917. A range of educational institutions became universities early in the 20th century, but the major growth spurt occurred during the 1960s and 1970s. Finland’s regional policy saw universities being established in regional cities (Ministry of Education, Finland, 1996, pp. 29-30), particularly to try to stem the exodus of young people to Helsinki, the national capital. Polytechnics were formed via the merger of myriad small vocational colleges and the first polytechnic licences issued in 1991 (Ministry of Education, Finland, 1996, p. 79).
In 2008, Finnish higher education had about 164,000 and 132,500 students enrolled respectively in its 20 universities (yliopisto) and 26 polytechnics (ammattikorkeakoulu). The higher education system is seen as an essential element of Finland’s national and regional innovation systems, and there is a link between higher education and economic policies.

Finland is in the throes of university reform, but the pre-reform pattern is such that ten of Finland’s 20 universities are multi-disciplinary, three are universities of technology, three are schools of economics and business administration, and four are creative and performing arts institutions (Ministry of Education, Finland, 2008a, p. 38). Finland is a bilingual nation and two universities teach predominantly in the Swedish language. About 6 per cent of the Finnish population has Swedish as its mother tongue. Internationalisation of universities has led to many of them offering teaching in English.

The Finnish CAP Survey and higher education reform

The CAP survey has provided excellent ex-poste results about the attitudes of the academic profession in Finland to their career. However, the major challenges for Finnish higher education institutions and their senior management lie in the future rather than in the past. These challenges are connected with the legislative reforms enacted in 2009 to take effect from 1 January 2010. These legislative reforms relate only to the university sector, not the polytechnics. An additional challenge is being wrought by structural changes that are to affect some Finnish universities, occasioned by a series of university mergers in the recent past and in the future. This paper, then, will consider certain of the results from the Finnish CAP survey, and will conjecture what might happen, given the likely future to be faced by the Finnish university sector. With a few fits and starts, Finland’s new University Act went through parliament in July 2009. The major management challenges for Finnish higher education institutions are connected with the legislative reforms of the higher education system covered by this Act.

Parallel to the legislation-linked reforms is a series of university mergers, of various levels of complexity. The detail of these is not of concern for this paper, but arguably the major merger so far is one between three universities from the Helsinki region to form what amounts to Finland’s first ‘private university with public money’ (Virtanen 2008, pp. 65-67). Even if current legislation is not seeking to reform Finnish polytechnics, mergers are occurring between polytechnics, and eventually it is likely that ‘closer cooperation’ will be demanded of proximate polytechnics and universities (Ministry of Education 2008b).

To summarise the major provisions of the new Act, it can be said that Finnish universities will change in three fundamental ways:

- they will become independent legal entities and in one sense will cease to be government-funded public institutions. However, the bulk of funding will continue to come from government coffers, but such funding will be delivered in a different way;
- second, governance arrangements are to be altered in several ways, including smaller university boards with a mandated minimum number of external members; and
- third, the ownership and management of university buildings is to change from one which will provide universities with majority ownership rights, compared with the current government 100 per cent ownership.

The first two of these reforms will have a direct impact on the academic profession, and mergers are likely to have an indirect (but real) impact, and they are dealt with in more detail below in the context of the academic profession and challenges to management. We don’t
perceive any ‘challenge’ to the academic profession from a reorganisation of the management of university buildings.

**Management challenges for Finnish universities**

The relatively low salaries paid by Finnish universities, in conjunction with governance reform, have the potential to become a major challenge to management. According to the new Act, universities’ autonomy is to be increased. Since the 1970s, all universities in Finland have been a part of the state administration and have operated under a system based on firm government regulation. This control also covered the universities’ salary regulations. The new Act will change the universities’ administrative and financial situation in that they will cease to be units of the state administration. Instead, they will take on one of two new forms: the great majority will be “institutions subject to public law”, or they will be run as “foundations subject to private law”. Consequently universities will start formulate their own human resources policies. Though the legal status of the universities is changing and their financial autonomy is to increase, most of the university funding will continue to be government-sourced. The reform also allows for stronger stakeholder involvement in universities internal decision making as universities become independent legal entities (Aarrevaara 2009).

Another management challenge is also connected to human resources practices. In 2010, the status of university staff members will change. According to the current legislation, university personnel enjoy a civil service employee-employer relationship with the government, but from 2010, formal contractual employment relationships will be with universities. This will allow universities to follow their own staffing polices. However, the possible impact of this considerable alteration of the status quo will be minimised at least in the short term. Trade unions will continue to negotiate on behalf of their members, and from 2010 it is the universities’ intention to present a common face in any negotiations through a universities’ employer body, rather as they do at present (Aarrevaara, Dobson & Elander 2009). Finnish workplaces, including universities, are highly unionised.

A third major challenge for management of Finnish universities is the reform of institutional management and funding structure. Under new governance arrangements, at least 40 per cent of the members of the university board will be external, including the chair. The rector (vice-chancellor / president) will be appointed by the senate, not elected by her/his peers (Aarrevaara, Dobson & Elander 2009). In addition, universities accounting will follow private accounting procedures and the university board has to accept liability for the accounts. This will also present a challenge, because it is highly likely that university boards will be more hands-on, because under certain conditions (Aarrevaara, Dobson & Elander 2009). Thus, this will lead universities to more managerial direction. By and large, the polytechnics have already faced these challenges during an earlier reform of Finnish higher education.

**The changing academic profession: the Finnish response and some comparisons outside the academy**

It can be presumed that delegates at this conference will be aware of the CAP survey and what it covers, so there is no need to go over that territory again. The overall Finnish response is summarised in the next few paragraphs, including focussing on response
differences between academics in junior c.f. senior positions, and between the two sectors of Finland’s binary higher education system. About 24 per cent of respondents to the Finnish CAP Survey were from polytechnics. The focus here is on job satisfaction, salaries, the supportive environment and institutional management. Neither the international composition of the academic work force, nor its mobility, have been discussed in this paper.

...overall satisfaction high but comparably a challenge

About two-thirds of respondents were satisfied with their current job and fewer than ten per cent were dissatisfied. The differences in measured satisfaction between the university and polytechnic sectors were not statistically significant. A surprising result was that there were no major differences in the level of satisfaction in universities between senior and junior academics. This is surprising because in Finnish universities, a large number of young researchers work for relatively low salaries and on precarious and short-term contracts (c.f. Puhakka & Rautapuro, 2007; Statistics Finland 2009a: Ministry of Finance 2003 and Kota 2009).

Much as a satisfaction ratio of 67 per cent in higher education would seem to be more than adequate, the national work and health survey conducted by Finnish Institute of Occupational Health in 2006, indicates that higher education has fewer satisfied employees (and more dissatisfied employees) than other sectors of the Finnish workforce. The differences are obvious when compared with the average level of satisfaction in the public sector, yet even private sector employees are more likely to be satisfied employees than in higher education (c.f. FIOH 2006, p. 27).

Although more than two third of the employees were satisfied with their job, only slightly more then a quarter of respondents thought that their work was not a source of considerable personal strain. Almost 46 per cent of the respondents thought that their work is a source of extensive strain. This is larger proportion than national1 average. Yet, it has to be mentioned that employees in the education sector in general were as strained and employees in social and welfare services were more often strained than the academic workforce (C.f. FIOH 2006, p. 21).

...would I do it again?... The attractiveness of an academic career

According to the CAP survey, Finnish academics have a rather pessimistic view of the future of academic work. Two-fifths of the respondents thought that now would be a poor time for a young person to begin an academic career. On this front, there were response differences between universities’ and polytechnics’ staff. Only 30 per cent of university respondents thought now to be a good time for young people to start an academic career in contrast to 42 per cent of the respondents from polytechnics.

Even though respondents thought good career prospects for beginners were quite limited, most said they would choose an academic career again, if they had to decide again. Only 16 per cent of the respondents thought that they would choose another career track if it could be possible. Many more university respondents expressed disappointment with their decision to become an academic (18 per cent) than did respondents from polytechnics (8 per cent). In universities, there is a difference between respondents occupying junior and senior posts. From the junior respondents, 20 per cent would not become an academic if they could decide now, compared with ten per cent of senior respondents.

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1 In FIOH’s survey, the question was ‘is your work mentally exhausting’?
A possible reason for differences in response between university and polytechnic academics is the different status of young academics in the two. The career path in polytechnics is quite different from that in universities, with new academics in the latter being considered to be students or novices (Hakala 2009; Ylijoki 1998). Polytechnic teachers typically have spent at least three years working in their field and have undertaken teacher training in addition to their discipline-based degree(s) (Aarrevaara & Hölttä 2008, 120). Thus, new polytechnic academics usually command a higher salary and new-comers are older than are their university counterparts. Academic staff members working for polytechnics are usually full-time contracted and the salary differences between junior and senior post are much smaller than in universities.

...salaries…a major challenge for future attractiveness

Data on salaries to compare with information supplied by respondents to the CAP survey are available from Statistics Finland (Statistics Finland 2009b). On this front, universities don’t stand up very well. The salaries paid to academics in general and in particular those paid to young university respondents are far behind the average salaries paid to master’s and postgraduate degree holders overall.

Table 1: Finland – Comparative Salaries (EUR/Month master’s or postgraduate degree holders) Average gross-income from own institution €/month

<table>
<thead>
<tr>
<th>Age</th>
<th>Total</th>
<th>Private</th>
<th>Central Government</th>
<th>Municipalities</th>
<th>Total</th>
<th>Universities</th>
<th>Polytechnics</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 - 34</td>
<td>3245</td>
<td>3502</td>
<td>2749</td>
<td>3096</td>
<td>2156</td>
<td>2118</td>
<td>2930</td>
</tr>
<tr>
<td>35 - 59</td>
<td>4225</td>
<td>4614</td>
<td>3940</td>
<td>3508</td>
<td>3420</td>
<td>3717</td>
<td></td>
</tr>
</tbody>
</table>

Sources: * Statistic Finland 2009 ** Annual incomes divided by 12.5

In Finnish higher education, there are career-related differences within universities and polytechnics. Salary differences are much higher in universities than in polytechnics. The average university salary in universities in senior posts is 1.8 times greater than in junior posts. In addition, the full time PhD students studying at national graduate schools, whose salaries are even lower than those of the junior academic staff, are employees of the universities. This affects the Finnish average salaries and salary differences between senior and junior posts. In polytechnics, the difference between senior and junior is only 1.3 times. The salary gap is even wider in universities if other income is taken into account. In the polytechnic sector, incomes that are earned from sources other than respondents’ current institution reduce the salary differences between those occupying junior and senior posts.

...material prerequisites in order but support staff attitudes a challenge

A description of working conditions and support services is hollow if there is no point of comparison. Because in the Finnish case the survey conducted in 2007 – 2008 was the first of its kind, the only possible source of ideas on the direction of the development of working conditions is through the CAP variable on this subject. There were slightly more respondents who thought that the working conditions in higher education had deteriorated rather than improved. However, almost two-fifths of the respondents thought that the conditions had remained unchanged.

The respondents were quite satisfied with the material prerequisites provided with their work. Though not all of the respondents were satisfied with classrooms, offices, teaching technology and computer facilities, it seems that the quality of these essentials is not a real
problem. Half of the respondents in both sectors thought that laboratory amenities were at a
good level and only 20 per cent of the respondents were dissatisfied.

Among supporting services, library services were generally thought to be good, and only 6
per cent of the respondents thought that they were not good. University respondents were
more satisfied with secretarial support than their colleagues were. In polytechnics, one out of
four thought that office services were not good. This might have been caused by the different
needs for office services in predominantly teaching institutes. In the universities, respondents
in junior positions were more satisfied with secretarial support than were those in senior
positions.

In both sectors, teaching support staff were considered good or neutral in 75 per cent of
cases. Although, the teaching support staff was not considered a problem the attitudes of
administration towards teaching in polytechnics were quite often seen as negative. Less than
a quarter of polytechnic respondents thought that attitudes were supportive while almost half
of the respondents disagreed with this view. In universities, a considerable number of
respondents did not have an opinion about the administrators’ attitude towards teaching.

Research support staff and research funding were the most criticised services. Only one-third
of the respondents thought that research services were at a good level. In polytechnics, the
proportion was even lower, only one quarter. Only a little more than one-fifth of the
respondents thought that research funding was good. In polytechnics, only one out of ten
respondents thought so. Generally speaking, the attitudes of administrative staff towards
research activities in both sectors were seen more often as non-supportive as supportive. The
more critical view of the research support and funding in polytechnics can be explained with
the transformation of the polytechnic sector from being exclusively teaching-only institutions
to more university-like institutions in which the academic drift is high but the legal mission
of the institutions is still based more on education and regional development than research.

...cumbersome administrative processes and lack of communication and influence are
still a challenge...

Less than one-third of the respondents thought that the communication was rather good. In
contrast, two-fifths of the respondents considered it to be rather bad. In polytechnics, the
management style was seen more often to be top down oriented than in universities; in
universities the decision making was considered to be more collegial. Regardless of this, the
sectoral differences in management and decision making style strong reversed correlation.
The administrative processes were commonly thought to be cumbersome by respondents
from both sectors. Only little more than ten per cent of the respondents thought that the
administrative processes were not cumbersome.

...institutional management and employee participation still a challenge...

A larger proportion of university respondents agreed than disagreed with the claim that top-
level administrators provided competent leadership. The situation was the reverse in
polytechnics though the difference was not major. Only 23.9 per cent of university
respondents and 20.0 per cent of polytechnic respondents thought that administration in
general was supportive of academic freedom. In both sectors, there were almost twice the
respondents who thought that they were well informed about what was going on in their
institutions than those who thought that they were ill-informed. Lack of academic staff
involvement was considered to be a real problem by 30 per cent of university and 42 per cent
of polytechnic respondents. Especially in the universities, the definition of academic
involvement has probably been difficult for respondents, albeit the institutionalised channels of different employee groups to decision making. Forty-six per cent of university respondents did not have a real view on faculty involvement. When respondents were asked if they thought that students should have a stronger voice in determining policies that are affecting them, 45 per cent of all respondents had a neutral view. This is probably due to the highly institutionalised student involvement policy that in theory gives them great opportunity to affect and influence.

According to an earlier analysis of the CAP survey data, the tendency for respondents’ influence to be lower at the institutional level than at the departmental level to institution level was observable (Aarrevaara 2009). This tendency was evident also in the polytechnic sector, but it is not as obvious as in universities. In both sectors, a considerable number of respondents thought that they were not able to estimate their level of influence even at the department level. In both sectors, this kind of response was related to academic rank. University respondents in junior positions were almost 15 times more likely to answer “not applicable” to the question that considered influence at the departmental level. In polytechnics, junior respondents were four times more likely to answer “not applicable” than were senior respondents. In both sectors, even at the departmental level, almost one fourth of the respondents thought that they were not personally influential in helping to shape academic policies or were not able to answer the question.

A comparator for Finland – Lessons from Australia

The authors thought about an appropriate comparator nation for Finland in the context of the changing academic profession. They would like it known that the eventual choice of Australia had nothing to do with the presence of an Australian in the writing team had nothing to do with it! There are genuine points of comparison between the two countries’ higher education systems. Finland is about to enter into a period of radical reform of its university sector, something the Australians did twenty years ago. The Australian reform of its higher education was extensive and involved reform of a binary system, the introduction of tuition fees for domestic students and a considerable restructuring of government – university relationships. The past twenty years has been a period of massification, and higher education enrolments increased from 485,000 in 1990 to over 1,000,000 (although it should be noted that a change in counting methodology in 2002 was responsible for about 146,000 of the growth that year (Dobson, 2007)). Nonetheless, this is a huge increase, and it is obvious from an examination of staff statistics that the number of university teachers has failed to keep pace with the expansion in student numbers.

The intention of the Finland – Australia comparison that follows is to compare academic staff attitudes and perceptions before radical university reform (Finland) and after (Australia). There are obvious differences between Finland’s binary system of research universities and (predominantly) teaching-only polytechnics, and Australia’s unitary university-only higher education system. However, although all Australian universities undertake research, there is a big difference between the per capita research income and outputs of the research-intensive universities and many of the smaller or regional universities. Therefore, the results produced by the responses to the CAP survey produce an ‘averaging’ between institutions weighted to research and teaching in both Finnish and Australian higher education, meaning that a comparison between the two nations is relevant. Perhaps the Australian experience can provide a few hints for Finland. The items that have been compared seemed to the authors ones for which comparisons were reasonable. These have been summarised in Table 2.
Table 2: Selected responses to CAP survey: Finland and Australia

<table>
<thead>
<tr>
<th></th>
<th>Finland</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic information:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per cent female (100)</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Year of birth (median) (101)</td>
<td>1964</td>
<td>1959</td>
</tr>
<tr>
<td><strong>Overall satisfaction:</strong> (51)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High/very high job satisfaction</td>
<td>67</td>
<td>55</td>
</tr>
<tr>
<td>Middle</td>
<td>23</td>
<td>25</td>
</tr>
<tr>
<td>Low/very low job satisfaction</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td><strong>Annual gross income USD:</strong> (34)</td>
<td>51999</td>
<td>56683</td>
</tr>
<tr>
<td><strong>Preferences in teaching / research:</strong> (44)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primarily teaching</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Both, leaning towards teaching</td>
<td>21</td>
<td>23</td>
</tr>
<tr>
<td>Both, leaning towards research</td>
<td>38</td>
<td>40</td>
</tr>
<tr>
<td>Primarily research</td>
<td>27</td>
<td>29</td>
</tr>
<tr>
<td><strong>Additional activities:</strong> (35)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Served on national/international boards</td>
<td>22</td>
<td>25</td>
</tr>
<tr>
<td>Peer reviewer</td>
<td>36</td>
<td>62</td>
</tr>
<tr>
<td>Union rep</td>
<td>27</td>
<td>2</td>
</tr>
<tr>
<td><strong>Perceived change in working conditions in higher education:</strong> (52)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved/very improved conditions</td>
<td>29</td>
<td>9</td>
</tr>
<tr>
<td>Middle</td>
<td>37</td>
<td>27</td>
</tr>
<tr>
<td>Deteriorated/very deteriorated</td>
<td>33</td>
<td>64</td>
</tr>
<tr>
<td><strong>Have not considered a job change:</strong> (37)</td>
<td>42</td>
<td>29</td>
</tr>
</tbody>
</table>

Starting with demographic information, overall CAP survey respondents from both countries were equally represented by men and women, but the median year of birth of Australian academics was earlier by five years than for Finnish academics.

As to academic preference, 30 per cent of the respondents in the Australian sample were teaching-inclined, compared with 35 per cent of the Finns. These figures are problematic, however. In Australia, there is considerable variation between the research intensity of universities, and in Finland, there is a big difference between the universities and the polytechnics. Only 21 per cent of university staff respondents were teaching-inclined, compared with 80 per cent of polytechnic staff. The research-inclined populations were 65 per cent in the case of the Finns and 69 per cent for the Australian respondents.

There are differences between the two countries in terms of engagement in additional activities. For instance, a higher proportion of the Australian respondents is involved in peer review, but a much lower proportion is involved as union representatives, compared with the Finnish respondents.

**….Finns more satisfied**

Finnish academics would appear to be happier with their lot than their Australian counterparts were. Sixty-seven per cent of Finns reported high or very high job satisfaction, compared to 55 per cent of Australians. At the other end of the scale, 20 per cent of Australian academics reported low or very low job satisfaction, compared to less than half that proportion in Finland. Finnish are also lightly more convinced of their vocation 64.3 per cent of Finnish respondents would become an academic if they had to do it over again
compared to 58 per cent of Australians. The career prospects or the stressfulness of academic work can explain in part why Finns are more satisfied because in Australia five per cent more respondents thought that their work to be a source of considerable personal strain and that now is not a good time for a young person to start an academic career. The variables have correlation with satisfaction. In the Australian case, statistical analysis reveals that the career prospects for young and personal strain has a much higher negative correlation to work satisfaction than in Finland. In both countries the decision to be academic once again had a strong positive correlation to work satisfaction.

One of the post-reform phenomena in Australia has been the expansion in the number and proportion of casual staff and the extent to which employment has increased in precariousness. The extent to which these are the direct product of the higher education reforms in the late 1980s is debateable, but it is a factor to be borne in mind. In 1989, the distribution ratio between tenurable, limited tenure and casual positions was 60:26:14. By 2007, the distribution was 58:19:24 (DEEWR, various years, STAG aggregated data set). The ratio of staff occupying tenurable positions has therefore changed a little, but there has been a switch from limited tenure positions to positions that are even more limited in the tenure they offer, i.e. casual positions.

On the basis of these responses, could it be said that the dynamics of the Australian university sector over the past 20 years have led to what appears to be lower levels of satisfaction? Is Finland about to go down the same path with its reforms?

...salary

That salary is not the only driver of job satisfaction is perhaps demonstrated by the fact that the mean salary paid to those in the Australian respondents was about US$4,500 higher than for the Finns. Of course, it is notoriously difficult to ‘compare’ income and salaries across national borders. Taxation rates (both direct and indirect) have a major impact on costs, but there are many things in Finland that require no additional payment. For example, there are no university or school fees for tuition in Finland. In Australia, the average senior post salary is 1.6 times higher than the average junior post salary. In Finland, the overall rate is 1.7 and as it was mentioned earlier, in Finnish universities, same salary multiplier was 1.8. In both countries, analysis reveals that salary had only a minor linear correlation with work satisfaction.

Studies of academic salaries show that Australians are not all that badly off. As noted by Goedegebuure et al. (2009, p. 13), ‘Over the last three years, several independent studies have been undertaken that suggest that Australian academics do quite well in terms of remuneration when compared to their colleagues abroad’. Comparisons are typically with English-speaking nations such as the UK, the USA, Canada and New Zealand. However, within Australia, academic salaries appear to be slipping back, compared with the ‘average weekly earnings’ survey conducted by the Australian Bureau of Statistics. Over the period 2001 to 2008, ‘average weekly earnings’ increased by about 47 per cent. Academic salaries increased by 37 per cent over the same period Goedegebuure et al 2009, p. 15).

...supportive environment: support for academic work better in Finland

Finnish respondents thought that their working conditions had been improving more often than their Australian colleagues’ had. Thirty-three per cent of Finnish respondents believed
that conditions had deteriorated compared with 64 per cent of the Australian respondents. The Finnish view was neutral (mean 3.1), compared to the Australian view (3.9). Finnish academics were more satisfied with the availability of material perquisites for their work than were Australian academics. The extent of research funding was a matter in which disappointment was at the same level in both countries.

Finnish respondents were also more satisfied with support services such as research and teaching support staff and secretarial support. Library services were considered to be equally good in both countries. Though the Finnish respondents were more satisfied with the services, they thought more strongly than did the Australian respondents that the supportive attitude of administrative staff towards research and teaching activities was weak. In addition, the possibility of staff undertaking professional development for administrative management duties was considered to be better in Australia.

In both countries, top down management style, strong performance orientation and cumbersome administrative processes were evident, but the opinions of Australian respondents were stronger. In Finland, the decision-making process was considered to be more collegial. In both countries, there were also problems in communication between management and academics but the problems were more obvious in Australia.

...institutional management: Finland conflict between administrative and academic values

When comparing these two countries, the most notable difference in institutional management is that the 38 per cent of Australian academics thought that administration supported academic freedom; in Finland only 23 per cent had the same impression. There was also considerable difference in opinions on how well academic staff were kept informed. Thirty-four per cent of Australian respondents thought that they were not kept informed about what was going on in their institution when in Finland only 25 per cent of respondents thought so. Otherwise, the responses on institutional management were similar in both countries.

The most notable difference in the influence of the respondents at all levels of the organisation was that relatively more of the Finnish respondents thought that the question was ‘not applicable’ to them. This is remarkable because in Finland, at least in theory, all of the academic workers in universities should be able to take part on in helping to shape key academic policies. In Finland, the democratic understanding of the work place is also widely accepted. In Australia, more of the respondents answered that they were not influential at all. This answer leaves it open, unlike not applicable, if they would have the possibility to be influential if they wanted or not. There were no major differences in the rate of very influential and somewhat influential respondents between countries. In both countries, there was a tendency for influence to decline from the department level to the institutional level.

In Finland, ensuring the attractiveness of academic work was recognised as a challenge. The recently-legislated reforms are aimed at introducing a regionally stronger and more effective higher education network in Finland. The gap between general working conditions in society and working conditions in higher education is visible, and higher education institutions have to compete with other sectors for the available educated workforce. Attractiveness of the academic career is one of the main themes in CAP survey. In Finland, prestige of higher education is high as academic salaries are not competitive with salaries offered elsewhere.
during the early stages of an academic career. Still, one of the reasons for the decline in attractiveness of a career in the academic profession has been because it has changed into a profession offering primarily fixed-term employment. Proposals to establish a tenure track system have been discussed recently by the Ministry of Education as a means of promoting a transparent and predictable research career (Aarrevaara 2009; Ministry of Education 2008a).

Institutional mergers also present a challenge to management and to university staff. As will be attested by staff from any university sector that has undergone merger, amalgamation or takeover, mergers can lead to clashes of culture, redundancy and sometimes sheer bloody-mindedness.

Other changes might also tax university management, including the overhauling of the system for directing the sector’s research, and a large productivity programme being carried out in the university sector by the government (Aarrevaara & Hölttä 2008, 119).

In Finland, a noticeable change in the academic profession’s work conditions occurred at the same time as the massification of higher education since the 1990s. The attractiveness of an academic career is declining for several reasons, among which is the change from a high level of tenure to what is primarily fixed-term employment. This is particularly an issue for those in the early stages of their academic career. The Finnish Ministry is considering such matters, and the final report of its working group on careers in research noted problems such as the absence of a tenure track system, low levels of mobility and the difficulty of combining external research funding and career development (Ministry of Education 2008a).

**Tentative conclusions**

The Finnish higher education sector is undergoing the most extensive reform of its history, the universities in particular. The traditional link between government and universities will be less tight because of the new University Act and also because two semi-private (foundation) universities will be established.

The material condition of the Finnish higher education system is at least satisfactory, but any weakness in the system in the future transformation is likely to be caused by the slow change of values and the gap in understanding between academics and senior administrators at universities.

The physical infrastructure for research, libraries and laboratories at higher education institutions is regarded as being at a good level. However, the universities have had to make reductions of the number of administrative and other support staff within recent years as they have implemented the government’s productivity programme. This may be one of the main reasons for the dissatisfaction with research support. Research is just taking its first steps at polytechnics, and this explains the dissatisfaction with research support and funding in this sector.

The reforms of the 1990s and early 2000s, which have made higher education institutions more autonomous but simultaneously more accountable to government have been implemented without major value conflicts between the Ministry of Education and universities. However, it looks like the changes and adaptation of more managerial values within institutions has not proceeded so smoothly. Members of the academic staff do not believe that administrators support academic freedom. This should be seen as an alarm signal
for universities as they start implementing the new governance system and administration processes in 2010. The results of the CAP survey show that the reformation of the administrative processes is one of the main institutional challenges as they implement the new University Act.

Improving the attractiveness of academic profession is a major challenge in Finland. The average salary at universities is low in Finland. Finland has taken steps towards more flexible salary system within the university sector in the form of a performance based system. This has increased the possibility for diversification of academic salaries of professors. The salary system within the polytechnic sector is complex because of the diverse ownership structure. To be attractive, the universities also have to be able compete financially and to be flexible in order to attract the best young talent and most reputable senior academics. It is important for the academic labour market to function more effectively.

Australia and Finland pursued radical system-wide reform about twenty years apart. Given the overall lower levels of academic staff satisfaction reported by Australian respondents, it is suggested that Finland should work very hard to avoid reproducing the circumstances that have reduced the attractiveness of the academic profession in Australia.

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